

Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

1.941
58L752

CORE LIST

Reserve

SEPTEMBER 1976

SUPPLEMENT TO LMS-210

LIVESTOCK AND MEAT Situation



LIVESTOCK AND MEAT SITUATION

Fed Cattle Marketings Record Large in July, Price Recovery Delayed

Marketings of cattle from feedlots during July in seven States totaled 1.5 million head, up about a third from the 1975 level. This was a record for July fed cattle marketings for the seven States. Reductions in the slaughter of nonfed steers and heifers and cows largely offset increased numbers of fed cattle, but heavier carcass weights pushed total beef output a tenth above a year ago and 9 percent over record 1974 production.

The buildup in the inventory of cattle on feed July 1 in 23 States points to relatively large fed slaughter for the remainder of this year. However, the heavy movement of grain-fed cattle over the past several weeks is evidence that the pace of marketings will likely slow from the current rate.

Cattle feeders in these States indicated plans to market around 6 million fed cattle during the summer quarter. With marketings from the seven States accounting for 70 to 75 percent of all fed marketings, the July total may have exceeded 2 million head. Feedlot inventories were reduced during the month as placements failed to keep pace with marketings.

The on-feed inventory of steers and heifers in the middle weight groups on July 1 points to a fed slaughter this fall moderately below third quarter volume but continuing well above a year ago. Nonfed slaughter, while expected to increase seasonally, will likely fall short of the record levels of last summer and fall. Total slaughter during July-September may equal the year-earlier level followed by a small decline during the fall quarter.

Lower fed cattle inventories and marketings will eventually lead to stronger prices. Much of the current weakness in prices can be traced to an abundant fed cattle supply in the Midwest. The West coast cattle trade has maintained a premium over Midwest prices of \$2-\$3 for much of the year. Fed marketings in California during

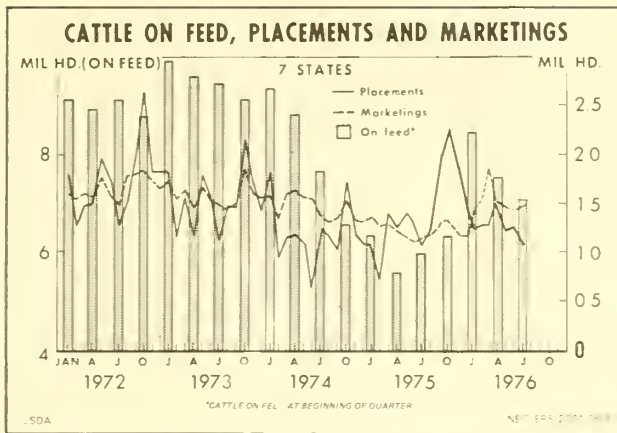
7 States Cattle on Feed, Placements and Marketings

Year	On feed	Change, previous year ¹	*Place-ments	Change, previous year	Market-ings	Change, previous year
	1,000 head	Percent	1,000 head	Percent	1,000 head	Percent
1973						
Jan. ...	9,884	+8.5	1,830	+2.5	1,721	+7.4
Feb. ...	9,993	+7.5	1,183	-6.7	1,541	+0
Mar. ...	9,635	+6.8	1,563	+5.3	1,623	+3.2
Apr. ...	9,575	+7.2	1,186	-20.5	1,440	-6.9
May ...	9,321	+5.0	1,785	-8.6	1,688	-4.0
June ...	9,418	+3.8	1,596	-7.3	1,557	-7.3
July ...	9,457	+3.7	1,133	-11.3	1,498	+1.2
Aug. ...	9,092	+2.0	1,469	-5.2	1,410	-20.9
Sept. ...	9,151	+5.4	1,446	-23.6	1,490	-16.9
Oct. ...	9,107	+3.7	2,133	-19.1	1,773	-3.6
Nov. ...	9,467	-1.2	1,647	-10.1	1,639	-5.5
Dec. ...	9,475	-2.1	1,411	-23.1	1,533	-5.8
1974*						
Jan. ...	9,353	-5.4	1,837	+0.4	1,558	-9.5
Feb. ...	9,632	-3.6	956	-19.2	1,340	-13.0
Mar. ...	9,248	-4.0	1,132	-27.8	1,577	-2.8
Apr. ...	8,803	-8.1	1,177	-0.8	1,629	+13.1
May ...	8,351	-10.4	1,085	-39.2	1,551	-8.1
June ...	7,885	-16.3	801	-49.8	1,540	-1.1
July ...	7,146	-24.4	1,218	+7.5	1,357	-9.4
Aug. ...	7,007	-22.9	1,149	-21.8	1,301	-7.7
Sept. ...	6,855	-25.1	1,041	-28.0	1,324	-11.1
Oct. ...	6,572	-27.8	1,741	-18.4	1,517	-14.4
Nov. ...	6,796	-28.2	1,168	-29.1	1,338	-18.4
Dec. ...	6,626	-30.1	1,091	-22.7	1,348	-12.1
1975*						
Jan. ...	6,369	-31.9	1,053	-42.7	1,372	-11.9
Feb. ...	6,050	-37.2	747	-21.9	1,316	-1.8
Mar. ...	5,481	-40.7	1,448	+27.9	1,331	-15.6
Apr. ...	5,598	-36.4	1,266	+7.6	1,275	-21.7
May ...	5,589	-33.1	1,424	+31.2	1,172	-24.4
June ...	5,841	-25.9	1,313	+63.9	1,148	-25.5
July ...	6,006	-16.0	1,090	-10.5	1,164	-14.2
Aug. ...	5,932	-15.3	1,230	+7.0	1,213	-6.8
Sept. ...	5,949	-13.2	2,005	+92.6	1,298	-2.0
Oct. ...	6,656	+1.3	2,228	+28.0	1,307	-13.8
Nov. ...	7,577	+11.5	1,864	+59.6	1,189	-11.1
Dec. ...	8,252	+24.5	1,483	+35.9	1,202	-10.8
1976*						
Jan. ...	8,533	+34.0	1,282	+21.7	1,462	+6.6
Feb. ...	8,353	+38.1	1,281	+71.4	1,517	+15.3
Mar. ...	8,117	+48.1	1,265	-12.6	1,857	+39.5
Apr. ...	7,525	+34.4	1,496	+18.2	1,502	+17.8
May ...	7,519	+34.5	1,224	-14.0	1,489	+27.0
June ...	7,254	+24.2	1,277	-2.7	1,457	+26.9
July ...	7,074	+17.8	1,092	+0.2	1,500	+28.9
Aug. ...	6,666	+12.4				

*Other disappearance subtracted to make comparable with previous year.

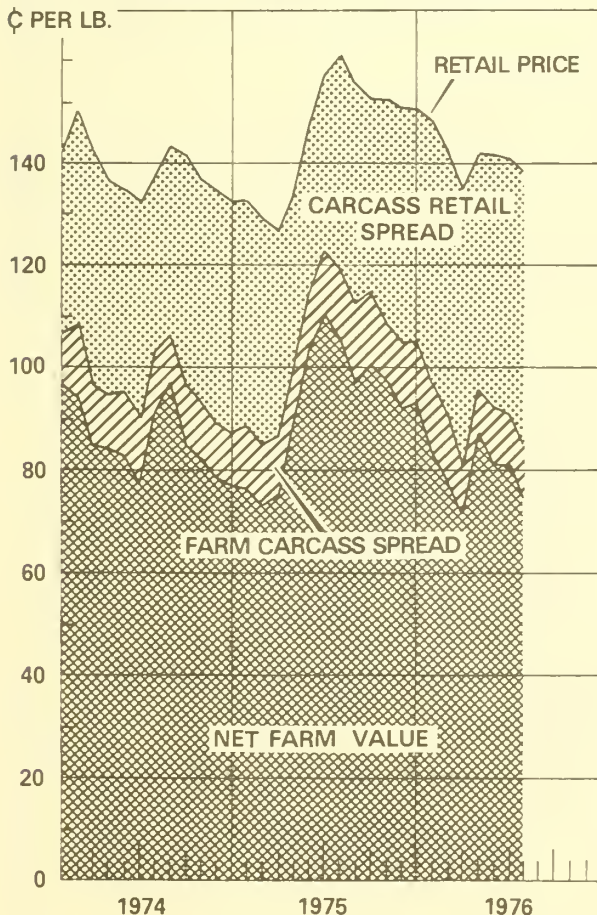
July were down 5 percent, while marketings in the midwestern States of Kansas, Iowa, and Nebraska were up 37 percent from the previous year. The number of cattle moving onto feed in these States during July jumped a third and offset reductions registered in the Western and Southwestern States. Market advances, though moderate, are likely over the next few months with the upturn in Cornbelt markets expected to lag behind other regions.

Cattle feeders have been sustaining serious losses throughout most of the



last 2½ years. During August, Cornbelt feedlot owners needed prices for fed cattle in the mid-\$40's to cover all costs; the fed market averaged only \$37. Wide farm-to-retail marketing spreads have contributed to weakness in the cattle market. The spread between cattle prices and retail beef prices has widened 7 cents per pound since

PRICE SPREADS FOR CHOICE BEEF



USDA

NEG ERS 2575-76 191

July a year ago, and in August averaged a near record 62 cents a pound. Today's retail Choice beef price of \$1.35 per pound combined with the price spread of July 1975, would result in a Choice steer price in the low \$40's.

Profits in cattle feeding are likely to remain elusive for the balance of 1976. Choice steer prices in the upper \$40's this fall would be required for most cattle feeders to cover all costs. A price level in the low \$40's is considered more likely.

Increased Production Pushes Hog

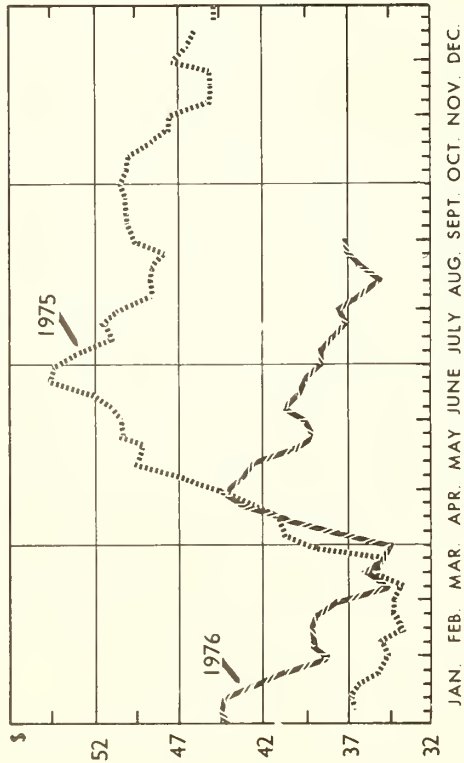
Prices Lower

Responding to a substantial increase in pork production, slaughter hog prices have been trending lower since mid year. Commercial slaughter during July totaled just over 5 million head, up 4 percent from a year ago. Federally inspected slaughter for August exceeded the restricted 1975 level by about a fourth. Prices slid from over \$50 in early July to the mid-\$40's during the first week in September. Packers, trying to reverse earlier losses, have increased their marketing spread from a yearly low of 10 cents per pound in June to a more normal 13 cents in August. Retail marketing spreads have also widened, boosting the total farm-to-retail price spread during August by 20 percent above both the June low and year-earlier level.

Expectations of sharply lower hog prices in the months ahead may have caused some hog producers to market their animals ahead of schedule. Average weights declined about 5 pounds per carcass during late July and August. This may signal a leveling off or a slight reduction in slaughter during September. Prices are expected to hold near current levels through much of September.

Increased slaughter activity during the fall quarter, along with seasonally heavier carcasses, may boost fall production 12-14 percent above the summer total. However, seasonal demand strength may limit the price impact of larger production. While hog prices may dip below \$40 at times, a quarterly average near \$40 is expected.

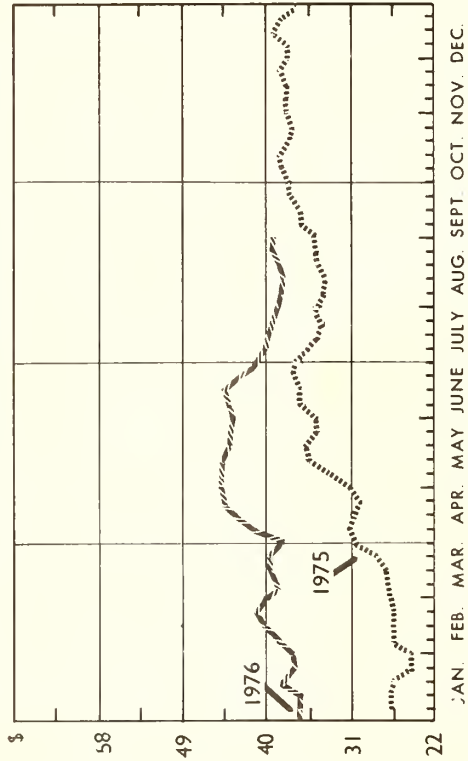
AVE. PRICE CHOICE SLAUGHTER STEERS—OMAHA 1100—1300#



U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

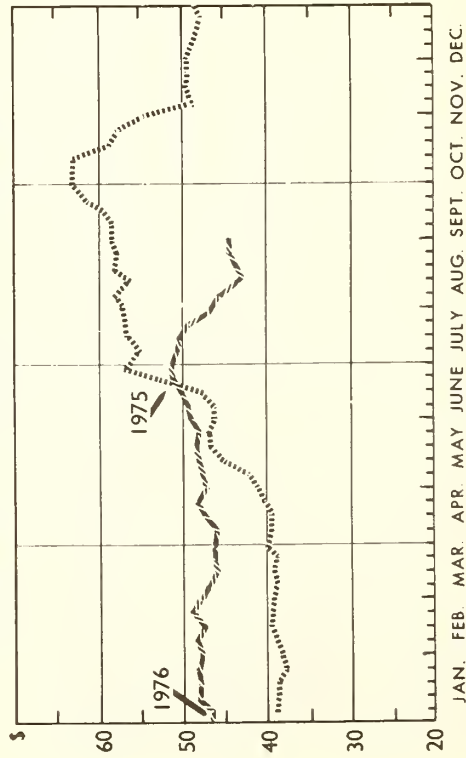
AVE. PRICE CHOICE FEEDER STEERS 600—700# — KANSAS CITY



U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

AVERAGE PRICE BARROWS & GILTS*

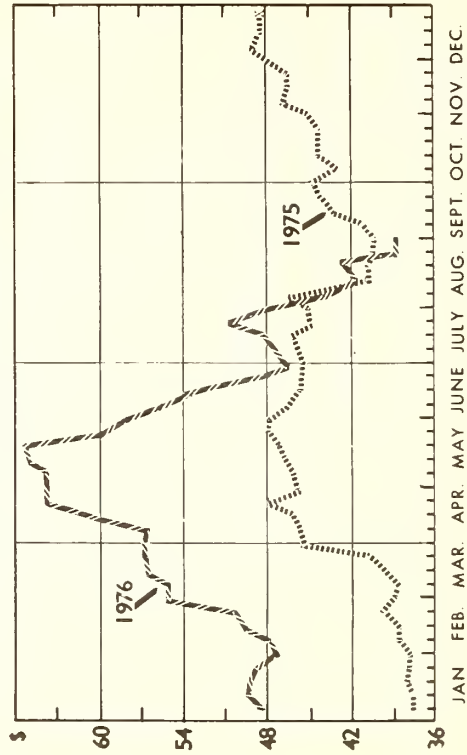


*SEVEN MARKETS COMBINED

U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

AVE. PRICE CHOICE SLAUGHTER LAMBS—SAN ANGELO



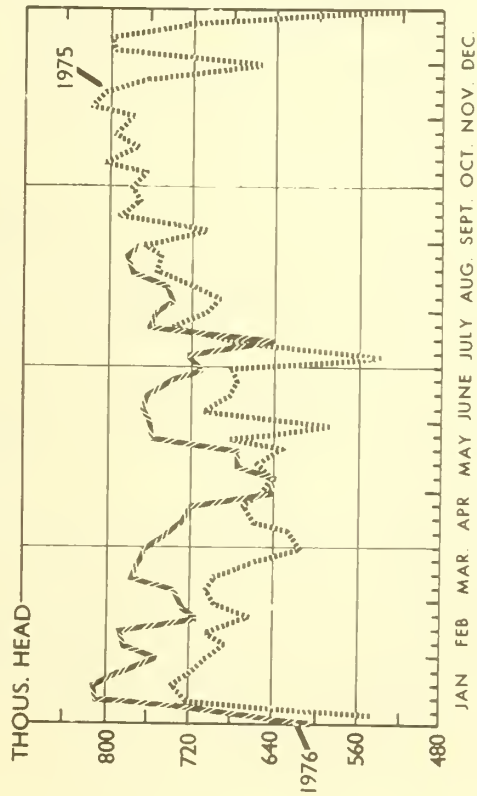
SPRING LAMBS QUOTED MARCH TO OCTOBER, WOOLLED LAMBS OCTOBER TO MARCH.

X NO SALES CONFIRMED

U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

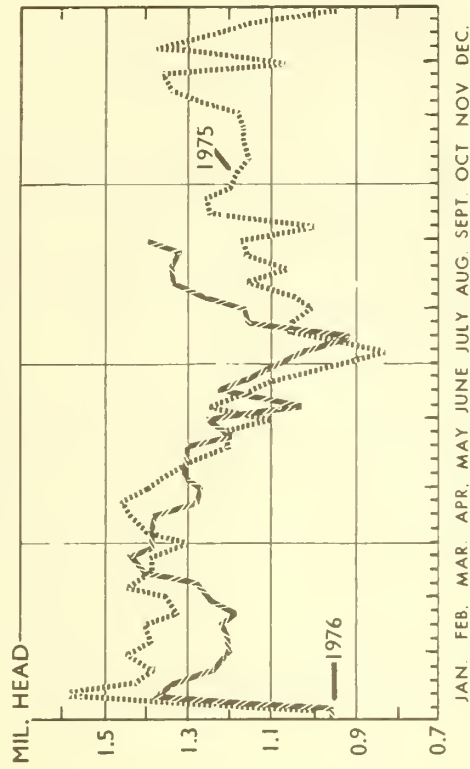
F.I. CATTLE SLAUGHTER



U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

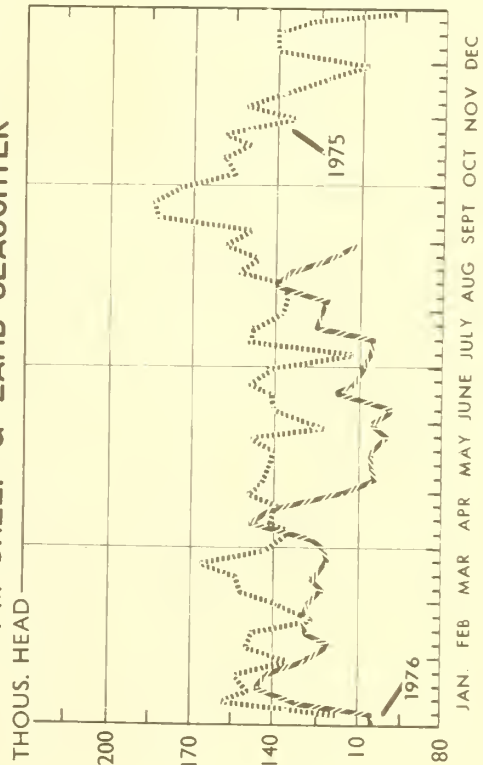
F.I. HOG SLAUGHTER



U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

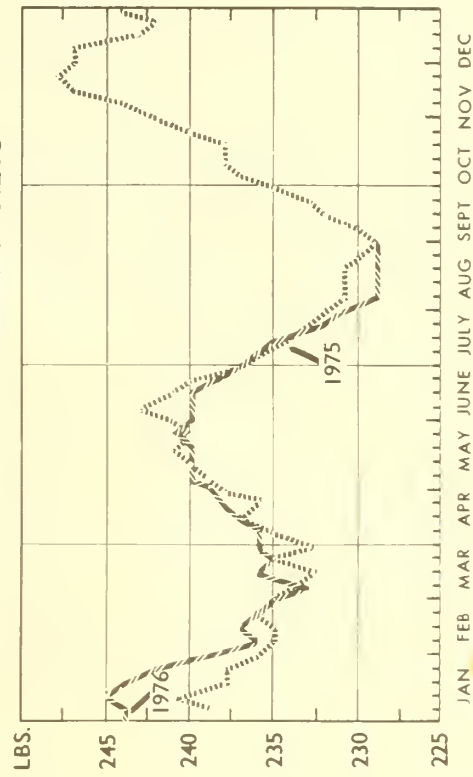
F.I. SHEEP & LAMB SLAUGHTER



U.S. DEPARTMENT OF AGRICULTURE

LIVESTOCK DIVISION - AMS

LIVE WEIGHT BARROWS & GILTS*



U.S. DEPARTMENT OF AGRICULTURE

*SEVEN MARKETS COMBINED

LIVESTOCK DIVISION - AMS

Selected marketings, slaughter and stock statistics for meat animals and meat

Item	Unit	1975				1976						
		Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
FEDERALLY INSPECTED:												
Slaughter:												
Cattle	1,000 head	3,319	3,584	3,116	3,267	3,403	3,032	3,492	3,053	2,980	3,294	3,220
Steers	1,000 head	1,286	1,287	1,133	1,229	1,350	1,306	1,612	1,370	1,376	1,539	1,527
Heifers	1,000 head	948	993	815	834	969	899	4,074	911	848	909	869
Cows	1,000 head	991	1,198	1,081	1,123	1,009	760	731	697	680	761	748
Bulls and stags	1,000 head	94	105	87	82	75	67	75	75	76	85	76
Calves	1,000 head	385	443	357	381	369	327	415	353	304	340	346
Sheep and lambs	1,000 head	758	701	515	584	582	513	570	561	429	502	526
Hogs	1,000 head	5,217	5,379	5,085	5,508	5,400	4,873	6,325	5,827	5,086	5,146	4,907
Percentage sows	Percent	6	5	6	6	5	4	4	4	4	5	5
Average live weight per head												
Cattle	Pounds	987	997	1,000	1,008	1,020	1,026	1,034	1,031	1,035	1,030	1,026
Calves	Pounds	224	233	232	227	232	215	204	206	227	225	227
Sheep and lambs	Pounds	104	108	108	109	110	111	112	110	107	105	104
Hogs	Pounds	238	240	246	246	243	236	236	236	239	240	238
Average dressed weight												
Beef	Pounds	571	579	578	576	597	598	616	610	616	612	613
Veal	Pounds	132	130	130	126	130	123	116	117	129	129	131
Lamb and mutton	Pounds	51	52	53	54	56	56	56	54	52	51	52
Pork	Pounds	165	167	170	172	168	167	166	166	166	167	166
Lard	Pounds	14	14	16	15	16	13	14	14	15	14	15
Production:												
Beef	Mil. lb.	1,890	2,069	1,796	1,874	2,024	1,808	2,145	1,857	1,829	2,010	1,969
Veal	Mil. lb.	48	57	46	48	48	40	48	41	39	44	45
Lamb and mutton	Mil. lb.	38	36	27	31	32	28	32	30	22	26	27
Pork	Mil. lb.	861	896	864	943	906	811	1,049	963	842	860	814
Lard	Mil. lb.	72	75	81	81	84	64	87	82	78	74	72
COMMERCIAL:												
Slaughter: ¹												
Cattle	1,000 head	3,671	3,987	3,470	3,632	3,762	3,336	3,813	3,354	3,238	3,576	3,483
Calves	1,000 head	515	591	475	489	466	408	496	419	367	410	410
Sheep and lambs	1,000 head	785	732	536	607	601	528	587	590	448	524	547
Hogs	1,000 head	5,468	5,637	5,337	5,839	5,698	5,122	6,612	6,087	5,331	5,400	5,132
Production:												
Beef	Mil. lb.	2,065	2,270	1,970	2,056	2,207	1,966	2,318	2,017	1,966	2,161	2,110
Veal	Mil. lb.	82	95	76	76	73	62	71	59	56	63	62
Lamb and mutton	Mil. lb.	40	38	28	32	33	29	33	32	23	27	28
Pork	Mil. lb.	901	936	904	995	953	850	1,092	1,003	879	899	848
Lard	Mil. lb.	75	78	83	84	87	67	90	85	80	76	74
COLD STORAGE STOCKS												
FIRST OF MONTH:												
Beef	Mil. lb.	258	254	272	320	350	350	362	395	401	408	407
Veal	Mil. lb.	9	8	9	10	11	11	10	9	10	8	8
Lamb and mutton	Mil. lb.	10	11	11	12	12	11	11	9	10	11	12
Pork	Mil. lb.	186	190	222	269	249	236	222	248	267	270	236
Total meat and meat products ²	Mil. lb.	518	518	571	668	675	672	677	727	752	765	727
FOREIGN TRADE:												
Imports: (carcass weight)												
Beef and veal	Mil. lb.	171	137	182	109	182	121	189	171	186	202	165
Pork	Mil. lb.	33	39	37	36	48	30	38	36	35	37	39
Lamb and mutton	Mil. lb.	3	2	2	2	2	3	2	2	4	7	4
Exports: (carcass weight)												
Beef and veal	Mil. lb.	3.04	5.29	7.74	7.62	7.21	7.42	8.09	7.00	7.13	8.47	7.71
Pork	Mil. lb.	18.99	17.14	19.36	22.25	17.06	26.43	38.30	22.00	36.57	23.47	19.92
Lamb and mutton	Mil. lb.	.28	.37	.27	.30	.24	.29	.38	.39	.31	.38	.34
Live animal imports:												
Cattle	Number	225,861	41,724	82,096	133,704	90,507	52,135	69,417	78,492	99,061	79,168	29,295
Hogs	Number	4,506	4,629	3,186	2,566	2,221	1,911	3,776	4,637	4,927	5,090	5,120
Sheep and lambs	Number	737	866	790	74	932	153	91	0	6	50	104
Live animal exports:												
Cattle	Number	13,898	16,826	19,585	15,822	12,263	13,356	33,859	12,643	17,990	14,982	18,162
Hogs	Number	799	1,015	1,731	1,106	306	517	1,477	1,174	904	334	395
Sheep and lambs	Number	17,518	14,373	9,859	29,680	13,346	6,805	19,409	26,640	33,257	26,891	23,481

¹ Federally inspected and other commercial. ² Includes stocks of canned meats in cooler in addition to the meats listed.

Selected price statistics for meat animals and meat

Item	1975		1976							
	Nov.	Dec.	Jan.	Feb.	March	April	May	June	July	Aug.
<i>Dollars per 100 pounds</i>										
SLAUGHTER STEERS:										
Omaha:										
Choice, 900-1100 lb.	45.23	45.01	41.18	38.80	36.14	43.12	40.62	40.52	37.92	37.02
Good, 900-1100 lb.	41.19	40.65	37.75	36.14	33.77	39.78	38.26	37.88	34.72	33.52
California, Choice 900-1100 lb.	45.56	47.25	41.06	39.62	37.75	45.69	41.94	42.92	39.25	37.22
Colorado, Choice 900-1100 lb.	45.58	45.81	41.22	38.87	35.35	44.74	40.97	41.40	37.84	39.31
Texas, Choice 900-1100 lb.	46.16	47.50	41.38	38.96	35.88	45.10	41.49	41.57	37.91	37.54
Cows:										
Omaha:										
Commercial	21.91	23.01	24.42	27.11	28.31	30.86	30.69	27.98	26.59	25.55
Utility	20.73	21.64	23.26	25.90	27.45	30.72	30.24	27.47	25.80	25.10
Cutter	18.30	19.47	20.89	23.62	25.09	27.58	27.60	24.93	23.82	22.75
Canner	15.54	16.95	18.45	20.25	21.80	24.31	24.95	22.76	22.18	20.89
Vealers, Choice, S. St. Paul	43.95	43.52	51.90	50.05	50.58	49.49	44.95	37.60	34.51	41.52
FEEDER STEERS:										
Kansas City:										
Choice, 400-500 lb.	36.26	35.94	37.47	41.40	44.01	47.01	47.58	44.81	40.64	41.13
Choice, 600-700 lb.	38.26	37.83	37.46	40.42	39.69	44.62	44.21	42.83	39.18	38.94
Good, 600-700 lb.	32.14	31.50	31.45	35.92	36.28	40.81	41.05	38.39	35.26	35.14
All weights and grades	36.77	37.79	36.66	36.95	38.82	43.49	42.38	40.24	37.58	37.55
Amarillo:										
Choice, 600-700 lb.	37.75	39.40	37.67	40.40	39.24	44.29	42.25	41.37	39.04	38.50
Good, 600-700 lb.	30.88	31.19	28.38	33.27	31.16	—	—	—	—	—
Georgia Auctions:										
Choice, 600-700 lb.	32.00	34.17	33.00	35.75	36.15	39.75	38.75	37.70	35.00	33.44
Good, 400-500 lb.	25.94	27.67	27.75	31.19	32.90	36.75	35.50	34.90	31.50	30.75
SLAUGHTER HOGS:										
Barrows and Gilts:										
Omaha:										
Nos. 1 & 2, 200-220 lb.	51.68	50.28	50.34	49.70	47.23	48.87	49.78	51.93	48.92	44.59
Nos. 1 & 2, 220-240 lb.	51.63	50.20	50.24	49.68	47.23	48.86	49.78	51.91	48.96	44.64
All weights	49.50	47.46	47.81	48.43	46.40	47.48	48.50	50.32	47.66	43.64
Sioux City	49.78	48.36	48.06	48.92	46.50	48.06	48.96	50.91	48.31	44.03
7 markets ¹	49.74	48.33	48.40	48.85	46.71	47.89	48.89	50.80	48.26	44.00
Sows:										
7 markets ¹	42.25	38.50	40.48	44.03	42.24	42.88	43.20	43.21	40.83	37.98
FEEDER PIGS:										
Nos. 1 & 2, So. Mo., 40-50 lb. (per hd.)	48.94	44.19	48.38	50.16	48.80	51.28	44.57	38.85	30.45	31.02
SHEEP AND LAMBS:										
Slaughter:										
Lambs, Choice, San Angelo	46.83	48.75	49.25	49.00	56.25	62.95	62.12	50.81	47.81	40.62
Lambs, Choice, So. St. Paul	43.58	46.19	46.94	46.56	50.92	55.77	64.75	50.01	46.02	38.64
Ewes, Good, San Angelo	14.83	17.44	17.75	16.12	18.90	18.44	19.75	17.56	19.44	17.69
Ewes, Good, So. St. Paul	8.00	9.46	12.20	12.50	12.81	13.42	13.12	13.65	13.88	13.61
Feeder Lambs:										
Choice, San Angelo	46.33	48.38	48.38	49.69	56.30	62.71	59.56	48.56	49.38	45.94
Choice, So. St. Paul	43.58	46.11	47.18	46.00	50.21	52.39	53.72	45.80	44.14	38.98
FARM PRICES:										
Beef cattle	32.30	33.50	33.50	34.20	33.60	37.90	36.90	36.30	33.50	32.80
Calves	28.30	30.00	31.40	34.40	35.30	38.00	38.80	37.90	35.20	34.50
Hogs	49.10	47.50	47.50	47.90	45.50	47.00	47.50	49.10	47.70	42.60
Sheep	10.80	11.80	12.20	12.50	13.40	15.00	14.50	12.60	13.00	12.50
Lambs	44.20	46.30	47.70	46.80	49.70	54.60	60.30	51.00	46.90	41.40
MEAT PRICES:										
Wholesale:										
Midwest Markets: ²										
Steer beef, Choice, 600-700 lb.	72.98	73.25	66.68	62.22	56.97	65.85	63.56	62.45	58.20	57.05
Heifer beef, Choice, 500-600 lb.	71.79	70.69	64.68	60.29	56.01	64.44	62.89	61.68	57.66	55.82
Cow beef, Canner and Cutter	43.40	44.61	49.12	53.25	56.44	60.48	59.12	54.88	53.48	51.62
Pork loins, 8-14 lb.	99.12	90.46	97.80	95.36	85.25	87.60	94.67	97.88	97.40	85.26
Pork bellies, 12-14 lb.	78.32	69.13	75.06	67.37	67.48	73.62	73.04	79.16	74.10	73.58
Hams, skinned, 14-17 lb.	101.04	101.81	83.43	80.68	85.48	84.19	82.86	81.76	77.32	74.66
East Coast:										
Steer beef, Choice 600-700 lb.	78.38	75.69	69.98	65.14	60.04	69.28	66.72	65.61	61.18	60.60
Lamb, Choice and Prime, 35-45 lb.	99.38	102.34	102.81	102.62	107.57	120.69	126.81	108.62	100.67	87.90
Lamb, Choice and Prime, 55-65 lb.	98.19	99.48	98.00	98.33	104.39	121.00	125.69	106.05	99.25	86.81
West Coast:										
Steer Beef, Choice, 600-700 lb.	75.45	77.61	71.84	66.22	61.33	72.08	67.42	67.92	62.96	62.12
Retail:										
Beef, Choice	151.2	150.6	148.6	142.7	135.1	142.0	141.7	140.8	138.2	138.2
Veal	176.7	177.4	177.4	173.7	173.2	171.5	173.6	176.8	174.4	174.4
Pork	154.0	147.5	144.2	141.6	138.7	136.6	138.6	140.4	142.1	142.1
Lamb	176.5	177.0	178.3	178.1	181.4	183.4	188.2	193.1	192.4	192.4
Price Indexes (BLS, 1967=100)										
Wholesale meat	198.3	196.0	190.4	180.3	171.7	183.5	182.8	182.0	175.3	175.3
Retail meat	192.4	189.8	186.8	182.8	179.6	176.6	180.5	181.6	182.9	182.9
Beef and veal	175.3	174.7	174.9	168.3	164.7	160.8	166.9	166.5	166.9	166.9
Pork	227.5	219.6	210.1	205.4	204.3	200.0	201.9	205.0	208.7	208.7
Other meats	180.7	181.2	180.3	178.8	177.7	178.4	180.2	181.9	181.9	181.9
LIVESTOCK-FEED RATIOS, OMAHA³										
Beef steer-corn	17.7	17.6	16.0	14.9	13.8	16.6	14.8	14.2	13.4	13.8
Hog-corn	19.4	18.5	18.6	18.6	17.7	18.3	17.7	17.6	16.8	16.2

¹ St. Louis N.S.Y., Kansas City, Omaha, Sioux City, S. St. Joseph, S. St. Paul, and Indianapolis. ² Prior to Oct., 1975, Chicago Market. ³ Bushels of No. 2 Yellow Corn equivalent in value of 100 pounds liveweight.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

NOTICE: If you don't want future issues
of this ERS publication, check here ☐
and mail this sheet to the address below.

If your address should be changed, write your
new address on this sheet and mail it to:

Automated Mailing List Section
Office of Plant and Operations
U.S. Department of Agriculture
Washington, D.C. 20250

LMS Supplement, September 1976

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE
AGR 101

FIRST CLASS



7857 USNADC105A422 18004 0001
USDA NAL D C DISPLAY BR
1052 SO BLDG
WASHINGTON DC 20012